



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE  
STATE OF CALIFORNIA**

**FILED**  
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Application of Pacific Gas and Electric Company )	
for Compliance Review of Utility Owned )	
Generation Operations, Electric Energy Resource )	Application No. 16-02-019
Recovery Account Entries, Contract )	(Filed February 29, 2016)
Administration, Economic Dispatch of Electric )	
Resources, Utility Owned Generation Fuel )	
Procurement, Diablo Canyon Seismic Studies )	
Balancing Account, and Other Activities for the )	
Period January 1 through December 31, 2015 )	
(U39E). )	

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**SOUTHERN CALIFORNIA EDISON COMPANY'S (U 338-E) MOTION**  
**FOR PARTY STATUS**

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Dated: **July 8, 2016**

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Pursuant to Rule 1.4(a)(4) of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure, Southern California Edison Company (SCE) respectfully submits this Motion for Party Status. SCE seeks party status because many of the issues decided in one utility’s ERRA proceeding are often precedential for all practical purposes for the other utilities. Here, SCE is concerned about certain issues delineated in the Scoping Memo, issued on June 16, 2016. The Scoping Memo included as within scope the following issues:

- “Whether PG&E’s entries in the ERRA for 2015 are reasonable”;
- “Whether the costs incurred and recorded in the Green Tariff Memorandum Account in 2015 are reasonable”;
- “Whether PG&E’s Greenhouse Gas Compliance Instrument procurement compl[ied] with the 2010 and 2014 bundled procurement plans”; and

- “[W]hether the utility operated and managed their programs in the most cost-effective way”.

SCE is concerned that, as written, the Scoping Memo could be misconstrued to mean that reasonableness -- or “cost-effectiveness” -- reviews of pre-approved, AB 57-related procurement costs are permissible in ERRA. They are not. California Public Utilities Code §454.5 unambiguously states that “a procurement plan approved by the commission shall ... [e]liminate the need for after-the-fact reviews of an electrical corporation’s actions in compliance with an approved procurement plan, including resulting electricity procurement contracts, practices, and related expenses.”

With respect to what is appropriate for an ERRA Review proceeding like the instant one, SCE’s Commission-approved 2014 Bundled Procurement Plan (BPP) states:

In the ERRA Review proceeding, the Commission conducts the following reviews: (1) a compliance review to determine if the utility’s daily energy dispatch decisions and related short-term procurement activities (*i.e.*, daily and hourly spot market transactions) were consistent with the least cost dispatch principles set forth in Standard of Conduct No. 4; (2) **an accounting review to determine if the utility accurately recorded the procurement expenses that are eligible to be recovered through the ERRA balancing account**; and (3) a reasonableness review to determine if the utility reasonably administered its QF and non-QF contracts, and if the operation of its UOG, including maintenance outages, was reasonable.<sup>1</sup>

An after-the-fact reasonableness review is prohibited by statute<sup>2</sup> and Commission precedent.<sup>3</sup>

SCE respectfully requests the Assigned Commissioner and Administrative Law Judge grant this Motion for Party Status. If granted, SCE intends to participate in the proceeding by submitting legal briefing, as well as potentially conducting discovery and serving written

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<sup>1</sup> SCE 2014 BPP at p. 74 (emphasis added). SCE’s 2014 BPP was submitted for Commission approval in Advice 2249-E-B (filed January 20, 2016), and approved by the Commission on February 16, 2016.

<sup>2</sup> See California Public Utilities Code §454.5(d).

<sup>3</sup> See, e.g., D.16-05-003 at p. 3.

testimony. SCE's participation in this proceeding will not expand the scope of issues in this proceeding nor delay the procedural schedule.

Respectfully submitted,

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